

# DOCKET SECTION

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

## RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PATELUNAS TO INTERROGATORY OF UNITED PARCEL SERVICE (UPS/USPS-T15-11)

The United States Postal Service hereby provides the response of witness Patelunas to the following interrogatory of United Parcel Service: UPS/USPS-T15-11, filed on September 16, 1997.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



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September 30, 1997

Answer of Richard Patelunas to the Interrogatories of  
United Parcel Service  
to United States Postal Service

UPS/USPS-T15-11. Please provide test year after rates volume estimates in terms of revenue, pieces, and cubic feet for each category of mail subject to dropship discounts, including all OBMC, DBMC, DSCF, and DDU classifications for each class and subclass of mail.

UPS/USPS-T15-11 Response:

Standard Mail (A)

All categories in Standard Mail (A) Regular are "subject to dropship discounts" - specifically, the DBMC and DSCF discounts. One can determine estimates for the test year revenue and pieces from the data provided in USPS-T-36 Workpapers (WP1, pages 20-22). The spreadsheet underlying the workpapers is in USPS LR-H-202. Weight estimates can be calculated by applying appropriate weight per piece figures from the GFY96 billing determinants (USPS LR-H-145). Cubic feet estimates are not available for this time period, but information regarding density is available in USPS LR-H-108.

All categories in Standard Mail (A) ECR are "subject to dropship discounts" - specifically, the DBMC, DSCF, and DDU discounts. One can determine estimates for the test year revenue and pieces from the data provided in USPS-T-36 Workpapers (WP1, pages 20, 23). The spreadsheet underlying the workpapers is in USPS LR-H-202. Weight estimates can be calculated by applying appropriate weight per piece figures from the GFY96 billing determinants (USPS LR-H-145). Cubic feet estimates are not available for this time period, but information regarding density is available in USPS LR-H-108.

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UPS/USPS-T15-11 Response continued:

For Standard Mail (A) Nonprofit, the relevant workpapers are WP2, pages 20, 27 and 28. For Standard Mail (A) Nonprofit ECR, the relevant workpapers are WP2, pages 20 and 29

Parcel Post

For Parcel Post, the TYAR DBMC volume distributed to zone and weight increment may be found at workpaper USPS-T-37, WP II.A., pages 6-7. The TYAR DBMC revenue estimate is developed at pages 5-6 of workpaper USPS-T-37, WP II.B. The estimated relationship between cubic feet and weight increment for DBMC is shown at workpaper USPS-T-37, WP I.E., pages 1 and 2.

The Parcel Post TYAR OBMC volume may be derived by reference to line (20) of workpaper USPS-T-37, WP II. C., page 1. Similarly, the TYAR DSCF and DDU volumes may be derived by reference to lines (21) and (22), respectively, of the same workpaper. There is no estimate of the TYAR revenue, weight, or cubic feet for these categories, aside from using the estimated distributions of volume to weight increment for DDU and DSCF as provided at workpapers USPS-T-37, WP I. A., pages 21-23. The revenue loss associated with the provision of the discounts is shown at page 1 of workpaper USPS-T-37, WP II.C.

Answer of Richard Patelunas to the Interrogatories of  
United Parcel Service  
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UPS/USPS-T15-11 Response continued:

Periodicals

Information for Periodicals subject to dropship discounts can be found in the following workpapers. Regular Rate Periodicals can be found in USPS-T-34, Workpaper RR-J, page 1. Within County Periodicals can be found in USPS-T-34, Workpaper WC-J, page 1. Nonprofit Periodicals can be found in USPS-T-35, Workpapers J and K, page 1. Classroom Periodicals can be found in USPS-T-35, Workpaper N, pages 1 and 2.

### DECLARATION

I, Richard Patelunas, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

A handwritten signature in cursive script, appearing to read "Richard Patelunas", is written over a horizontal line.

Dated: 7/30/97

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

  
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Susan M. Duchek

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